



WORKING LANDS ENTERPRISE INITIATIVE

www.vermontworkinglands.com

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@vtagencyofag @vtagriculture

**2019
IMPACT
REPORT**



Working Lands Enterprise Initiative



The **Working Lands Enterprise Initiative** supports innovative entrepreneurs at the forefront of Vermont's Working Lands economy.

The Working Lands Enterprise Initiative (WLEI) and governing board (WLEB) were created in accordance with Act 142 of the 2012 legislative session to stimulate economic development in the agricultural and forestry sectors by systematically advancing entrepreneurship, business development, and job creation.

Focus areas and funding categories are annually assessed by the WLEB to ensure adequate attention toward the priority issues and needs of the agricultural and forestry industries.

WLEB investments are able to respond to imminent needs, sectors and markets that have potential and/or challenges, including:

- WLEB decision to scale-up Industry impact investments in 2019 to focus on dairy industry and secondary grade wood and forest based products;
- WLEB FY20 focus to continue market level industry impact investments, adding a mid-tier opportunity with supply chain impact grants;
- Legislatively focused dairy dollars will allow WLEB to fund value-added dairy production, diversification opportunities (e.g., maple, hemp, grass-fed beef, agritourism opportunities), and innovative solutions to soil health and water quality.

Image source: VAAFM



John Mandeville
Executive Director
Lamoille County Economic Development

Jeremy LaRock
DSD Retail, Cabot Creamery
Washington County

April Lemay
Owner, April's Maple
Essex County

Kathleen Wanner
Executive Director,
Vermont Woodlands Association
Rutland County

Ex-Officio, Non-Voting Members

Cassandra Polhemus
CEO, Vermont Economic Development
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Washington County

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Washington County

Ellen Kahler
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Washington County

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Executive Director, Vermont Housing &
Conservation Board
Washington County

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Program Director
Vermont Farm & Forest Viability Program
Washington County

Image source VAAFM



WORKING LANDS BOARD 2019

The Working Lands Enterprise Board (WLEB) represents a cross-agency, cross-sector network of partners: Vermont Agency of Agriculture, Food & Markets, Vermont Forests, Parks & Recreation, Vermont Agency of Commerce & Community Development, fourteen designated board members from across the value chains of Agriculture and Forestry, and Ex-Officio members from the Vermont Economic Development Authority, Vermont Housing & Conservation Board, and the Vermont Sustainable Jobs Fund.

Anson Tebbetts | CHAIR

Secretary, Vermont Agency of Agriculture, Food & Markets

Alyson Eastman | DESIGNEE

Deputy Secretary, Vermont Agency of Agriculture, Food & Markets

Michael Snyder

Commissioner of Forests, Parks & Recreation

Sam Lincoln | DESIGNEE

Deputy Commissioner
Vermont Department of Forests, Parks & Recreation

Matt Langlais | DESIGNEE

Caledonia/Essex County Forester,
Vermont Department of Forests, Parks & Recreation

Ted Brady

Deputy Secretary, Vermont Agency of Commerce & Community Development

Tim Tierney | DESIGNEE

Senior Economic Development Specialist,
Vermont Agency of Commerce & Community

Eric DeLuca | VICE CHAIR

Principal, Leverage Point Consulting
Windham County

Will Belongia

Executive Director
Vermont Community Loan Fund
Washington County

Alisha Utter

Owner, Arbor Farmstead
Grand Isle County

Dave Hubbard

Salesman, GMC Hardwoods
Windsor County

Charlie Hancock

Consulting Forester, Northwoods Forestry
Caledonia County

Megan Camp

Vice President, Shelburne Farms
Chittenden County

Beth Kennett

Owner, Liberty Hill Farm
Windsor County

Trevor Allard

Owner, Allard Lumber
Windham County

Bob Lesnikoski

Owner, Vermont Cranberry Company
Franklin County

Siobhan Smith

Vice President, Vermont Land Trust
Chittenden County

GRANT PROGRAM IMPACT 2019 INVESTMENTS

Program Overview To Date

203

Agriculture and Forestry
Projects Funded

14

Vermont Counties
Impacted

\$6M

Distributed in
Working Lands Funds

\$10M

Leveraged in
Matching Funds

2012-2019 Grantee Impacts

898

People Employed

14,883

Acres Impacted

>\$27M

in Sales Generated for
the Vermont Economy*

508

New Full Time
Jobs Created

*Project reporting sales numbers fluctuate based on reasonable business vagaries.
Image source: VAAFM



INVESTING IN VERMONT'S FOOD, FOREST AND FARM ECONOMY

The Vermont Working Lands Enterprise Initiative (WLEI) supports innovative entrepreneurs at the forefront of Vermont's Working Lands economy.

Working Lands Enterprise Initiative continues to bring leaders of the agriculture and forestry sectors together – great synergies and leverage as these working lands industries work together in public-private partnership. The Working Lands Enterprise Initiative supports innovative entrepreneurs at the forefront of Vermont's Working Lands economy through technical, business and financial assistance to help growing businesses thrive.

The Board continues to ensure the viability and development of emerging and existing enterprises with sound and measured strategy. In this way, public dollars function as a vehicle to propel broader investment in the people and businesses that simultaneously link Vermont to its heritage and navigate a path toward a viable future.

For FY20, 1.5 million dollars were made available for projects, with \$500,000 legislatively mandated for dairy focused funds. The Working Lands Enterprise Board received 104 Business grant proposals, totaling requests of \$4.6 million. 27 were dairy projects for \$1.43 million. There were 12 Service Provider Proposals, totaling \$197,440. Decisions for these grants will be made in early 2020.

Image source: VAAFM



COMMITTEES

Executive Business Skills Committee

This committee was formed in 2018 to develop a long-term strategy for deploying Working Lands Enterprise funds - making positive impacts on forestry and agricultural sectors, specifically attending to improving executive business skills among working lands grantees.

Coordinating Committee

Board development, annual review of organizational plan, consults on board documents — including meeting agendas, grant applications, and program evaluations.

Policy Committee

Solicits and vets topics for consideration by the Board, working closely with State Agency leaders. The committee recruits members for ad hoc committees that spearhead policy work by topic area. Research and review processes may create documents for presentation to the legislature and working lands organizations.

Goals & Evaluation Committee

Guides development of short- and long-term goals and objectives for the Working Lands Enterprise Initiative. Committee also guides and provides feedback on the metrics used and analysis conducted to determine program impact.

Enterprise Financing Options Committee

Explores financing options to leverage the state investment in WLEI.

Service Provider Strategy Committee

In 2017, this committee developed a new Service Provider funding stream that is moving a portion of funds to contracts that have the potential for multi-year projects, giving service providers the opportunity to develop their programs.

Forestry & Wood Products Committee

Engages with one of the largest sectors of Vermont's working lands economy and provides support for innovation, economic viability, and workforce and market development. Active support and content contributor to Vermont Sustainable Jobs Fund Annual Forestry Summit.

Image source: VAAFM



PROGRAM DONOR: SKI VERMONT

The Vermont Ski Areas Association (VSAA) awarded its 2019 Ski Vermont Grant to KJ Pratt Logging and Tree Service, LLC, of Jericho, VT. The \$15,000 grant helped KJ Pratt to acquire a firewood processor for expanding the low-grade wood division of its business. KJ Pratt had rented one in the past, and in order to keep up with demand, the Working Lands grant was timely to prevent further roadblocks with deliveries. Firewood requests have increased every year the last three years since their program began. Local wood will be utilized, and this acquisition of a firewood processor will ensure most of their low-grade wood products would stay local and sustain the Vermont economy.

The grant was funded through proceeds from Ski Vermont's Fifth Grade Passport program, which helps children get involved in skiing and snowboarding. Last year's Ski Vermont grant was awarded to Fairmont Farm in East Montpelier, to help fund its 'Life on the Farm' Camp for children. To date, VSAA has donated over \$50,000 to WLEI. In 2017, sponsoring Larson Creamery (\$19,980), and in 2018, Fairmont Farms (\$16,000).

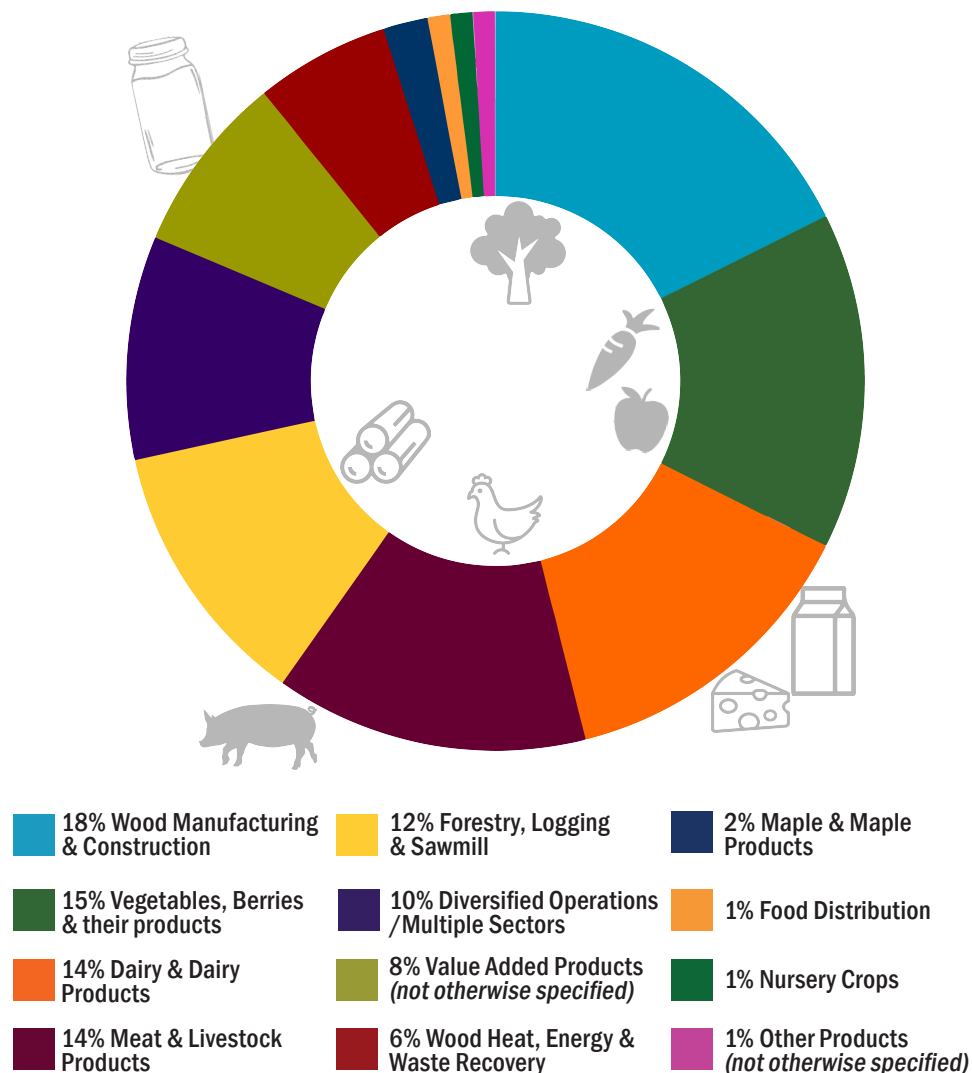


Photos and logo are courtesy of Ski Vermont.



SECTOR INVESTMENTS TO DATE




Working Lands investments help increase production, create jobs, and propel innovation for industries crucial to Vermont's economic success. The chart below represents the industry sectors where WLEI has made investments since its inception in 2012.






Sector Investments are percentages of dollars invested to date.
Image source: VAAFM

INVESTING IN VERMONT'S WORKING LANDS


Dairy & Dairy Products

-  Five Generations Farmstead Creamery | \$150,000
Cheese making equipment
-  Beaver Meadow Consulting | \$23,600
Evaluating scalability of high-quality cheese
-  Karim Farm Creamery | \$20,000
Cheese Cave expansion


Non-Dairy Livestock & Meat

-  Agricola Farm | \$50,000
Cured meat processing equipment
-  Bread & Butter Farm | \$20,000
Commercial kitchen expansion
-  Rebop Farm | \$25,000
Farm store and community space

Nursery Crops

-  Ardelia Farm | \$19,910
Sweet Pea plant production supplies





Primary Forestry: Sawmill

-  Gagnon Lumber | \$120,000
Energy and production improvements



Primary Forestry: Logging


-  KJ Pratt Logging & Tree Service | \$15,000
Firewood processor

Produce



-  Footprint Farm | \$14,200
Increase produce storage
-  Fisher Brothers Farm | \$20,000
Freezer for farm-to-cone ice cream
-  Center for Women and Enterprise | \$20,000
Business planning for women-owned WLEI businesses
-  Intervale Center | \$19,965
Coaching services for beginning farmers

Secondary Wood Products

-  Kirby Mulch | \$130,000
High-quality mulch production
-  Rockledge Farm Woodworks | \$25,000
Woodenware production and expansion

-  University of Vermont Extension | \$19,943
Develop educational resources and opportunities for forestry/wood sectors

Specialty Foods

-  Vermont Community Loan Fund | \$64,589
Low-interest loan program support (SPROUT)
-  VAAFM Trade Shows | \$30,000
Trade Show Assistance grants

Wood Products Manufacturing



-  Vermont Wood Works Council | \$20,000
Technical and financial support to wood product companies
-  VT Housing and Conservation Board | \$80,000
Retirement and succession business planning



Image: 2019 WLEI grantees. Image source: VAAFM

VERMONT COMMUNITY LOAN FUND (VCLF) SPROUT PROGRAM

With start-up support from the Working Lands Enterprise Fund, SPROUT meets the financing needs of working lands entrepreneurs with a deferred-payment, low-interest revolving loan fund. SPROUT-eligible borrowers will include farms & other agricultural operations, food processors & producers, foresters, forest products and other working lands businesses.

- 1. Full Belly Farm** | Produce Farm | \$51,000 for businesses improvements and working capital.
- 2. Twisted Root** | Beverage Producer | \$60,000 for working capital, equipment, inventory and leasehold improvements to capitalize on distribution opportunities.
- 3. Goat Town** | Goat Dairy | \$50,000 for working capital.
- 4. Walnut Hill** | Pork Farm | \$22,000 for working capital to support the recent pivot to focus on value added pork sales.
- 5. North Branch** | Winery | \$35,000 for supplies to pay down credit that was used to buy vines and make other improvements to leased land.
- 6. Fresh Roots Farm** | Organic Vegetable Farm | \$6,000 for working capital.
- 7. Drip Drop Acres** | Maple Producer | \$38,000 for working capital and completion of the farm's pump house and sugar house and to purchase new equipment, supplies and starter plants.
- 8. Agricola Meats** | Pork Processing and Aging Operation | \$60,000 to assist in the purchase of equipment and renovation of a meat processing and aging facility.
- 9. Copper Creamery** | Cheese Producer | \$45,000 for working capital to produce an authentic halloumi-style cheese named Loum, a Mediterranean staple made with a combination of goat and cow milk.
- 10. Sawyer Made** | Wood Furniture Producer | \$20,000 for facility renovation and expansion.

41

Jobs
Retained

\$775,000

VCLF Funds
Leveraged

22

New Jobs
Projected

BUSINESS GROWTH WITH ADDITIONAL INVESTMENTS

Trade Show Assistance Grants

Trade Show Assistance Grants (TSAG), funded by the Working Lands Enterprise Board, provides funds to Vermont agriculture and forestry businesses to identify, plan, exhibit and sell their Vermont products at out-of-state trade shows. These matching grants can mitigate the financial risks associated with exhibiting at trade shows and provide an excellent opportunity to network with wholesale buyers. TSAG



Photo courtesy of Mount Mansfield Maple.

provides reimbursement directly to Vermont businesses and funding may be used for the following approved expenses: travel, marketing assets and booth design, registration fees, booth fees, furnishings, utilities, shipping/freight and other marketing costs.

As one grantee accurately states, attending a trade show is playing the long game. Trade shows are often the first step to building a long term relationship or partnership with a buyer or distributor. Often times, repeat attendance, significant follow-up and negotiations will lead to a deal. Working Lands Enterprise Fund's small investments of up to \$2,500 to assist with the burden of attending a trade show provide a very important tool to talk to businesses about their marketing activities and brand.

4,321

Total Leads
Generated at Show

\$3,491,092

Anticipated Value
of Leads

\$89,276

Value of Sales
Placed at Show

TSAG metrics are as of July 2019.

Recipients of Working Lands Enterprise Initiative Grants and Contracts | Fiscal Year 2019



Map Sources: VCGI, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community.

ARDELIA FARM & CO.

IRASBURG | ORLEANS COUNTY

BUSINESS GRANT FY'19 \$19,910 to increase yields via high-tunnel humidity control to minimize botrytis damage in cut sweet pea flowers.

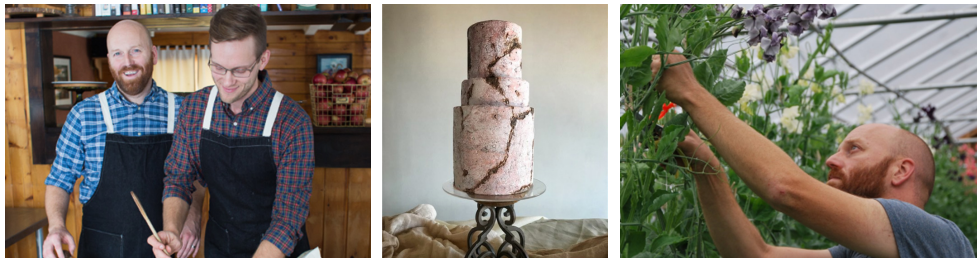
Ardelia Farm of the Northeast Kingdom received \$19,910 in Working Lands Enterprise Initiative funding for increasing yields through high-tunnel humidity for cut sweet pea flowers. The grants funded a critical combination of heaters, ventilation fans, and horizontal airflow fans to create the proper conditions to produce Ardelia's high-value specialty crop.

Ardelia has flowers and plants for sale, with a wide array of annuals, perennials, and woody shrubs available along with cut flowers from the farm. The Farm has five greenhouses and two and a half acres devoted to nursery production. They provide florists and wholesalers with flowers May through October. Ardelia is growing more than 25,000 sweet pea plants in 2020, primarily for producing cut stems for wholesalers, but also for seed production.

Bailey Hale and Thomas McCurdy are the owners and operators of Ardelia Farm. While Bailey focuses on his passion, which is growing flowers, Thomas lends his attention to the farm's bakery, which sources premium ingredients to create their treats. Ardelia aims to open the farm every Sunday in the summer of 2020 to offer a pop-up bakery and flower shop.

Bailey's sideline project comes in the form of Farmer Bailey - a custom plug brokerage firm just for flower farmers. This duo is dedicated to growing flowers and baking fresh goods that will continue satisfying the community around them.

Photos are courtesy of Ardelia Farm.



CHAMPLAIN VALLEY CREAMERY

MIDDLEBURY | ADDISON COUNTY

BUSINESS GRANT FY'18 \$14,266 for small-scale bulk milk tankering to increase production capacity.

Owner Carleton Yoder uses traditional techniques and small-batch pasteurization to produce his cheese entirely by hand in a net-zero, solar-powered facility. Their certified organic milk is sourced from Severy Farm in Cornwall Vermont, which raises 100% Jersey cows – all 100% grass fed. Most of their cheeses are fresh and short-aged and are pasteurized using a “low and slow” method of batch or vat pasteurization. All products are packed and prepared for sale by hand. The farm is proud of their handcrafted, certified-organic products.

In 2018, Champlain Valley Creamery of Middlebury received a \$14,266 Working Lands Grant to acquire small-scale bulk milk tankering to increase the overall production capacity of this farm-to-table operation. The creamery was able to significantly upgrade their milk hauling capability, minimizing their carbon footprint by reducing the necessary number of trips to the dairy farm. WLEI funds has helped Champlain Valley Creamery increase their production by 33%, from nearly 27,000 pounds to 36,000 pounds of cheese per year. This increase in production has led to an almost \$100,000 increase in annual gross sales.

They've launched three new products during the grant period, and have two other new products in the works. One of their new products, Organic Basket Ricotta, is made from 95% whey - previously a waste product that was hauled away from the creamery. Champlain Valley Creamery has taken the steps to add a distributor and entered into a relationship with a Vermont food broker to assist them in entering new markets, thus growing the business.

Photos are courtesy of VAAFM (close-up of cheese) and Champlain Valley Creamery.

